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# Reagan signals rebirth of counterspying

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President Reagan has called for a renewed effort to counter the activities of foreign spy services after what he called "mistakes of past restrictions" on U.S. intelligence officials during the 1970s.

Of the more than 2,500 Soviet-bloc officials stationed in the United States, the president said 30 percent to 40 percent were known or suspected intelligence officers.

Besides espionage directed against U.S. secrets and high technology, the Soviets recently have stepped up "active measures" — disinformation, propaganda, subversion, forgeries and covert action — directed against the West, President Reagan said in his weekly radio broadcast Saturday.

The president said the United States needs to "deal severely with those who betray our country."

Congress recently passed a measure calling for the death penalty in cases of espionage. The move follows revelations of a major espionage operation involving the loss of U.S. Navy nuclear submarine secrets to the Soviet Union.

"We're in a long twilight struggle with an implacable foe of freedom. ... We need to reduce the size of the hostile intelligence threat we're up against in this country," the president said.

He called for reducing the number of Soviet bloc spies working in the United States to "more manageable" levels and singled out the United Nations as a "spy nest."

The administration, he said, is intent on strengthening the U.S. intelligence community's capability to curb spying by foreign powers, known as counterintelligence.

"During the '70s we began cutting back our manpower and resources, and imposed unnecessary restrictions on our security and counterintelligence officials," Mr. Reagan said.

The president was referring to the period in the mid-1970s when congressional committees uncovered evidence of abuses by U.S. intelligence agencies. As a result of the committee findings, activities of the FBI, CIA and other agencies — primarily the counterintelligence and

surveillance programs — were restricted.

W. Ray Wannall, former head of FBI counterintelligence, believes both the CIA and FBI have not fully recovered from these counterintelligence cutbacks.

He said some 400 counterintelligence personnel were cut from the CIA, and a similar number were dropped from the FBI.

"When you take a man who spent 25 to 30 years in counterintelligence work and he drops out the picture, you don't find his knowledge in files," Mr. Wannall said in a recent interview, "he's carrying it around in his head."

Morale among U.S. intelligence officers suffered as a result of cutbacks, particularly within the CIA, which handles foreign counterintelligence outside the United States. Under former CIA chief Stansfield Turner, in office under President Carter, more than 2,200 CIA veterans resigned, according to a report by the Association of Former Intelligence Officers.

The association estimates the loss of experienced personnel cost the agency 30,000 man-years of experience. In what

critics describe as a "purge" of experienced CIA officials, Adm. Turner fired 850 officials in October 1977. The mass dismissal was called the "Halloween massacre" and led to the voluntary retirement of some of the most experienced intelligence officials.

"Totally competent people trained for years in certain jobs were just dismissed with pink slips or transferred to the sidelines," one former intelligence official said.

Adm. Turner defended the dismissals by claiming he was only carrying out a program of cutbacks agreed to under the previous administration. He could not be reached for comment on the president's radio address.

President Reagan said "we've begun to rebuild" counterintelligence efforts, but called for more coordination among U.S. agencies and improved analysis of threats posed by hostile spies.

He said the United States should "learn from the mistakes of past restrictions which unduly hampered us."

Without elaborating, the president said U.S. officials have developed a "list" of proposed security reforms.